

**GOVERNMENT OF PUERTO RICO
PUERTO RICO PUBLIC SERVICE REGULATORY BOARD
PUERTO RICO ENERGY BUREAU**

NEPR

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IN RE: REVIEW OF GENERA PR, LLC
REQUEST TO OPERATE PALO SECO MP
AND MAYAGUEZ CT WITH NATURAL
GAS AS PRIMARY FUEL

Case No.: NEPR-MI-2024-0004

Subject: Genera's Motion in Response to
Resolution and Order Dated July 20, 2026.

**GENERA'S MOTION IN RESPONSE TO RESOLUTION AND ORDER DATED JULY
20, 2026**

TO THE HONORABLE PUERTO RICO ENERGY BUREAU:

COMES NOW GENERA PR LLC ("Genera"), as agent of the Puerto Rico Electric Power Authority ("PREPA"),¹ through its counsel of record, and respectfully submits and prays as follows:

I. INTRODUCTION

Genera submits this Response to address a limited, but important, aspect of the *Resolution and Order* issued by the Puerto Rico Energy Bureau ("Energy Bureau" or "PREB") on July 20, 2026 ("July 20 Resolution").² Specifically, this *Response* addresses the Energy Bureau's observation that the proposed conversion of the Cambalache generating units has advanced more rapidly than the proposed conversion of the four combustion turbines at the Mayagüez Power Plant ("Mayagüez CTs"). *See July 20 Resolution*, at 2-3.

¹ Pursuant to the *Puerto Rico Thermal Generation Facilities Operation and Maintenance Agreement* ("LGA OMA"), dated January 24, 2023, executed by and among PREPA, the Puerto Rico Public-Private Partnerships Authority and Genera, Genera is the sole operator and administrator of the Legacy Generation Assets (as defined in the LGA OMA) the sole entity authorized to represent PREPA before the Energy Bureau with respect to any matter related to the performance of any of the O&M Services (as defined in the LGA OMA) provided by Genera under the LGA OMA.

² Genera submits this *Response* to address the specific matters discussed herein and without limiting its obligation to comply with the other directives contained in the *July 20 Resolution*. Genera will file the status report requested in the July 20 Resolution within the deadline set forth by the Energy Bureau.

As it will be discussed in more detail below, Genera respectfully submits that the different degree of advancement among these projects does not result from a lack of interest in, or diligence concerning, the Mayagüez conversion. Rather, the Mayagüez project is at a materially different procurement and contracting stage mainly because the Puerto Rico Public-Private Partnerships Authority (“P3 Authority”) and its Third-Party Procurement Office (“3PPO”) have not completed the contractual engagement of the natural gas supplier selected for Mayagüez. Until that process is completed and the applicable contractual, technical, and logistical requirements are defined, Genera cannot responsibly finalize an actionable scope of work, engineering design, cost estimate, permitting plans, or federal funding submission for the conversion and regasification infrastructure.

In order to properly evaluate the status of the Mayagüez conversion process, a review of the relevant factual and procedural background is provided herewith.

II. RELEVANT FACTUAL AND PROCEDURAL BACKGROUND

On February 21, 2024, Genera requested authorization to convert the Mayagüez CTs to dual-fuel operation, using natural gas as the primary fuel while retaining diesel as a backup fuel. After an extensive evaluation, the Energy Bureau issued a *Resolution and Order* on January 31, 2025 (“January 31 Resolution”), conditionally approving the proposed conversion. *See January 31 Resolution*, at 15-16.

The *January 31 Resolution* conditioned the project upon, among other requirements: (i) a competitive or otherwise legally permissible procurement process to be conducted by the P3 Authority, the 3PPO, or PREPA, as applicable; (ii) a project structure that preserved eligibility for funding from the Federal Emergency Management Agency (“FEMA”); and (iii) appropriate arrangements to ensure PREPA’s ownership of the conversion improvements or the orderly

removal of supplier owned regasification facilities at the end of the applicable supply term. *January 31 Resolution*, pp. 15–16.

The foregoing shows that the *January 31 Resolution* did not designate Genera to conduct the procurement. Rather, it expressly entrusted that process to the P3 Authority, the 3PPO, or PREPA, as applicable. *Id.* Genera’s Motion in Compliance with Resolution and Order dated March 26, 2026 (“March 27 Motion”) further explained that the procurement was administered by the 3PPO and that Genera did not participate in, control, or influence the evaluation of proposals, supplier selection, negotiations, or definition of the Request for Proposals (“RFP”).³ *See March 27 Motion*, p. 2, ¶¶ 4–6.

During the summer of 2025, the 3PPO selected Crowley as the natural gas supplier for the Mayagüez facility. The 3PPO, however, has not finalized the applicable supply agreement. As of the date of this filing, Genera understands that no definitive agreement with Crowley has been executed or submitted for approval to either the Energy Bureau or the Financial Management and Oversight Board (“FOMB”). Moreover, as explained in the *March 27 Motion*, the 3PPO restructured the procurement to address only the supply of natural gas and removed the conversion and regasification infrastructure from the procurement scope.

In the *July 20 Resolution*, the Energy Bureau acknowledged that the selection of the Mayagüez supplier and the negotiation and administration of the corresponding agreement were not entrusted to Genera and were therefore outside Genera’s control. *July 20 Resolution*, at p. 2. Nevertheless, the Energy Bureau concluded that Genera could undertake certain preliminary

³ This independent procurement structure was particularly necessary because NFEnergía LLC (“NFEnergía”), an affiliate of Genera, participated as a proponent in the procurement.

evaluations and contrasted the present status of the Mayagüez conversion with Genera's efforts concerning Cambalache. *Id.* at pp. 2–3.

Genera respectfully submits this limited *Response* to place the Energy Bureau's comparison between the two projects in its proper context. Genera reiterates that the main distinction between the two projects is not a difference in effort or in prioritizing one project over another. Genera respectfully submits that any difference in the progress of the Mayagüez project, vis-à-vis Cambalache, stems from the fact that Cambalache proceeded on the basis of a substantially more developed natural gas supply contracting process, while the supplier contractual engagement process and technical foundation for Mayagüez remains incomplete.

III. DISCUSSION

A. The Mayagüez Project is not at the Same Procurement Stage as the Cambalache Project

Genera recognizes and shares the Energy Bureau's interest in ensuring that the Mayagüez conversion is not slowed down because responsibility is divided among several governmental and private entities. Genera also agrees that reasonable preliminary activities may be undertaken while the applicable procurement processes continue. Nevertheless, the comparison between Mayagüez and the other conversion projects must account for the materially different contractual process of each project.

Specifically, the Cambalache conversion has proceeded against the backdrop of an identified supplier, a final supply agreement, and defined delivery and operational arrangements. The presence of these more advanced conditions in Cambalache are not inconsequential. Among other things, the existence of a defined supplier and contractual requirements allowed Genera to assess the relevant conversion factors, develop a preliminary scope and cost estimate, and propose a funding structure which properly accounts for FEMA funding.

But Mayagüez stands in a different position. Although Crowley was selected during the summer of 2025, the 3PPO has not completed the contractual engagement. The *July 20 Resolution* itself recognized that the selection and negotiations were not assigned to Genera and remained outside its control. *See July 20 Resolution*, p. 2. Accordingly, the relative progress of the projects corresponds to status of the procurement for each facility. Thus, while Cambalache could advance using an identified supplier and a more developed set of contractual and technical assumptions, Mayagüez could not advance to the same degree because its separate supplier agreement (and its contractual terms and requirements) remains unfinished.

It is important to underscore that the Mayagüez project requires more than a general determination that natural gas can be delivered to the facility. The final infrastructure must be compatible with the supplier's proposed delivery chain, operating procedures, safety protocols, and contractual allocation of responsibilities. Among other matters, the final supply agreement may determine, or materially affect, the method and frequency of LNG deliveries; the truck circulation, unloading, and connection requirements within the Mayagüez facility; responsibility for operating and maintaining the facilities; and transition obligations at the expiration or termination of the supply arrangement. *See generally January 31 Resolution*, at 3, 10–13, 15–16.

These are material details that cannot be fully ascertained before the project formulation has been completed. These details affect the specific conditions outlined by the Energy Bureau when it conditionally approved the conversion project. The *January 31 Resolution* recognized that the Mayagüez conversion encompasses the installation of regasification and delivery infrastructure, including vaporizers, storage facilities, interconnection pipelines, pressure regulation systems, and safety and monitoring equipment. *January 31 Resolution*, at p. 15. The

Energy Bureau also required the ultimate contractual structure to preserve FEMA eligibility and address the ownership or removal of the regasification facilities. *Id.* at 15–16.

In short, Genera is not arguing that every preliminary activity must await execution of the Crowley agreement. Certainly, Genera has identified known requirements of the generating units, compiled existing site information, obtained Environmental Protection Agency (EPA) Prevention of Significant Deterioration (PSD) permitting, evaluated preliminary funding alternatives, and is coordinating with PREPA, the P3 Authority, and the 3PPO. There is, however, an important distinction between a general preliminary evaluation and a more complete scope determination and implementation plan. Genera cannot responsibly finalize the latter without the technical requirements and logistical parameters of the supplier selected by the 3PPO.

Proceeding with a preliminary analysis that does not account for the supplier’s final design could result in incompatible equipment, duplicative processes, inaccurate cost estimates, and unnecessary change orders. In turn, these problems could result in additional delays and costs, which would not be a desirable result for Genera, the ratepayer or the Energy Bureau.

B. The Difference Between Cambalache and Mayagüez is Attributable to Project Readiness, Not to the Corporate Affiliation of the Contemplated Suppliers

The *July 20 Resolution* also noted that the contemplated supplier for Cambalache is affiliated with Genera’s corporate parent, whereas Crowley is not an affiliate. Because of the lack of corporate relationship with Crowley, the Energy Bureau suggests that Genera has more leeway to intervene in the procurement process. *July 20 Resolution*, at 3.

Genera respectfully clarifies that the differences in the progress of the two gasification projects are not due to the corporate affiliation of the respective suppliers. As stated earlier, the material distinction is the availability—or absence—of a sufficiently developed supply and delivery framework from which the required infrastructure can be evaluated.

For Cambalache, the contemplated supply arrangement had progressed sufficiently to permit the development of technical assumptions, scopes, and potential FEMA funded alternatives. In contrast, for Mayagüez, the separate Crowley agreement has not reached that stage yet. Genera has not received a finalized agreement establishing the technical, logistical, operational, ownership, and risk allocation requirements necessary to prepare a comparable action plan. Moreover, the decision by the 3PPO to separate the Mayagüez infrastructure from the fuel supply procurement also affected the pace and timeline of the Mayagüez project.

In sum, the current difference in the progress of the two projects is explained by the fact that the other projects have reached a stage at which the supplier, supply framework, and relevant delivery assumptions are sufficiently defined to support project formulation, while the Mayagüez supplier's definitive contractual and technical requirements remain pending.

C. Genera Remains Committed to Advancing the Mayagüez Conversion Within the Limits of its Authority and the Information Presently Available

Genera remains committed to the evaluation and implementation of the Mayagüez conversion. Consistent with the *July 20 Resolution*, Genera will continue coordinating, to the extent permitted and practicable, with PREPA, the P3 Authority, the 3PPO, Crowley, FEMA, COR3, EPA, DRNA and any other relevant entity. Genera will also continue providing technical and operational information concerning the Mayagüez CTs when requested and will evaluate the supplier-specific information necessary to advance the project once that information is made available.

Since July 28, 2025, Genera has initiated ongoing efforts to obtain information regarding the status of contract negotiations with 3PPO. Specifically, Genera has sent thirteen (13) emails to 3PPO requesting updates and clarification on negotiation progress. Genera has also made ten (10)

calls to P3A asking to follow up and provide updates on negotiation status with 3PPO⁴. To date, no detailed information has been provided by 3PPO in response to these inquiries.

In addition to written correspondence, Genera has made multiple attempts to contact 3PPO by telephone to secure further details about the contract's advancement. These efforts have not resulted in the receipt of technical, logistical, or specific information.

On March 27, 2026, Genera issued a formal meeting invitation to 3PPO for the purpose of discussing the progress toward contract finalization. Throughout this period, Genera has diligently responded to all information requests from 3PPO and has ensured that no outstanding requests remain unaddressed.

As of the date of this submission, the only information received from 3PPO is confirmation that negotiations are ongoing. No substantive technical, logistical, or contract-specific details have been provided. However, Genera respectfully submits that any assessment of the project's progress and any proposed implementation schedule must recognize the completion of the Crowley agreement and the disclosure of the selected supplier's technical and logistical requirements as critical project factors. While these factors are fully determined, Genera already completed EPA's PSD process and can certainly undertake reasonable preliminary activities based on existing information. However, Genera cannot responsibly finalize the detailed design, scope of work, cost estimate, permitting plan, or implementation schedule needed to place Mayagüez at a stage comparable to Cambalache.

IV. CONCLUSION

Genera respectfully requests that the Energy Bureau take notice that the slower advancement of the Mayagüez project is mainly attributable to: (i) the independent procurement

⁴ Please see Exhibit 1.

structure required because a Genera affiliate participated as a proponent; (ii) the continuing absence of a finalized agreement with Crowley; and (iii) the resulting absence of supplier specific technical and logistical information required to develop and implement the conversion infrastructure.

Genera submits this *Response* without limiting its obligation to comply with the other directives contained in the *July 20 Resolution* and without waiving any rights, objections, arguments, or remedies available under the Generation OMA, applicable law, or the Energy Bureau's regulations and orders.

WHEREFORE, Genera respectfully requests that the Energy Bureau: (i) take notice of the foregoing explanation; (ii) recognize that the differing levels of advancement between the Mayagüez project and the Cambalache project arise from their materially different procurement, contracting, and technical circumstances, rather than from a lack of diligence by Genera; (iii) recognize the completion of the Crowley supply agreement and the receipt of the selected supplier's technical and logistical requirements as critical factors for the further development of the Mayagüez conversion; and (iv) grant such other relief as the Energy Bureau deems just and proper.

RESPECTFULLY SUBMITTED.

In San Juan, Puerto Rico, this 29th day of July 2026

[Signature page follows]

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CERTIFICATE OF SERVICE

WE HEREBY CERTIFY that a true and accurate copy of this motion was filed with the Office of the Clerk of the Energy Bureau using its electronic filing system and that we will send an electronic copy of this motion to the following counsel of record: alexis.rivera@prepa.pr.gov, nzayas@gmlex.net, rcruzfranqui@gmlex.net, and mvalle@gmlex.net.

In In San Juan, Puerto Rico, this 29th day of July 2026.

/s/ Jorge Fernández-Reboredo

Jorge Fernández-Reboredo

/s/ Ernesto Raúl Ramos Maldonado

Ernesto Raúl Ramos Maldonado

/s/ José Javier Díaz Alonso

José Javier Díaz Alonso

Exhibit 1

Crowley/Mayaguez Emails and Meetings

Date	Type	Topic
7/7/2026	Call	Asked P3A to follow up with 3PPO on negotiation status with Crowley
6/19/2026	Email	RE: Mayagüez LNG Supply Contract – Official Position on Take or Pay Provisions
6/3/2026	Call	Asked P3A to follow up with 3PPO on negotiation status with Crowley
5/12/2026	Call	Asked P3A to follow up with 3PPO on negotiation status with Crowley
5/5/2026	Call	Asked P3A to follow up with 3PPO on negotiation status with Crowley
4/30/2026	Email	RE: Mayaguez LNG contract (MMBtu figures for Crowley negotiations)
4/30/2026	Email	RE: Request for Mayagüez Unit Historical Consumption Data (Crowley LNG PR LLC negotiations)
4/30/2026	Email	RE: Request for Mayagüez Unit Historical Consumption Data (your sent response)
4/22/2026	Email	RE: Mayaguez LNG contract (update needed for Crowley certification table)
4/21/2026	Email	Crowley – Mayaguez Gas Contract (status request to 3PPO)
4/14/2026	Call	Asked P3A to follow up with 3PPO on negotiation status with Crowley
4/7/2026	Call	Asked P3A to follow up with 3PPO on negotiation status with Crowley
3/27/2026	Event	Crowley Contract – Mayaguez (Calendar Event)
3/24/2026	Email	Crowley Contract – Mayaguez (meeting rescheduled)
3/24/2026	Email	Crowley Contract – Mayaguez (Teams invite; multi party)
3/17/2026	Call	Asked P3A to follow up with 3PPO on negotiation status with Crowley
3/2/2026	Call	Asked P3A to follow up with 3PPO on negotiation status with Crowley
2/24/2026	Call	Asked P3A to follow up with 3PPO on negotiation status with Crowley
2/2/2026	Email	RE: Mayaguez – Contract Negotiations Crowley
1/20/2026	Call	Asked P3A to follow up with 3PPO on negotiation status with Crowley
1/8/2026	Email	RE: Crowley (regas / RFP direction)
12/26/2025	Email	RE: Mayaguez fuel supply (3PPO still negotiating with Crowley)
7/29/2025	Email	Re: Updated attendees list Crowley (site visit participants)
7/28/2025	Email	Re: Site visit NDA – Crowley (NDA exchange & logistics)